

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1891

February 4, 2014

SUMMARY OF BILL: Changes the boundary line between Franklin and Marion Counties in a manner as to detach 56 parcels of property from Franklin County and to attach such parcels to Marion County, effective upon the bill becoming law.

ESTIMATED FISCAL IMPACT:

Decreases Local Revenue - \$19,700

Assumptions:

- According to the Office of the Comptroller of the Treasury (COT), the provisions of the bill establish a new jointly agreed upon boundary line between Franklin and Marion Counties and effects 56 parcels of property.
- According to information provided by COT, property taxes for the impacted parcels were being assessed and collected by both Franklin and Marion Counties.
- The provisions of the bill will result in a decrease in property tax revenue for Franklin County, however will not result in an increase in property tax revenue for Marion County as such taxes are currently being collected.
- According to COT, the effective date of the bill will not result in any significant change in local government property tax assessments or collections.
- Based on information provided by COT, the 2013 appraised value of the impacted parcels is \$2,950,700. All parcels have a classification rate of 25 percent and the current tax rate of Franklin County is \$2.6736 per \$100 of assessed value (or 0.026736). As a result, the recurring decrease in property tax revenue to Franklin County is \$19,722 $[(\$2,950,700 \times 25\%) \times 0.026736]$.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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